

# **FISCAL NOTE**

## **SB 3151 - HB 3034**

February 7, 1998

**SUMMARY OF BILL:** (1) Expands the allowable uses of a Baccalaureate Education System Trust (BEST) tuition unit to include *other educational expenses* such as room and board, as allowed by the Internal Revenue Service. The calculation of the tuition unit will remain the same and the BEST Board of Trustees will determine which educational expenses will be permitted in the program. Payment of these expenses can be made to a student or entity in addition to the higher education institution; and (2) Permits the use of payroll deduction by any public or private employer under terms and conditions as determined by the BEST Board of Trustees. All costs incidental to implementing and administering a payroll deduction program shall be borne by the employer. Currently, only state employees are allowed to use the payroll deduction method.

### **ESTIMATED FISCAL IMPACT:**

**MINIMAL**

Funds deposited into BEST accounts are from private individuals and any expenditures for educational costs are made by BEST on behalf of a designated beneficiary; therefore, no state funds are involved.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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